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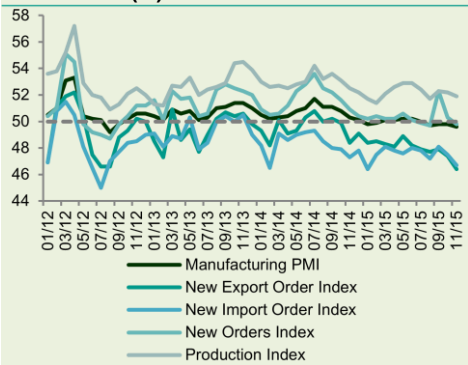
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Exhibit 1: November economic indicators

YoY% or otherwise specified	Nov'15*	Oct'15
Manufacturing PMI(%)	49.6	49.8
Non-Manufacturing PMI (%)	53.6	53.1
CPI	1.3	1.3
PPI	(5.7)	(5.9)
Exports	(4.5)	(6.9)
Imports	(13.0)	(18.8)
Trade Balance (US\$/bn)	65.4	61.6
FAI (YTD%)	10.1	10.2
Industrial production	5.4	5.6
Retail Sales	11.2	11.0
M2	13.2	13.5
New loans (RMB/bn)	800	513.6
Aggregate financing (RMB/bn)	974.0	476.7

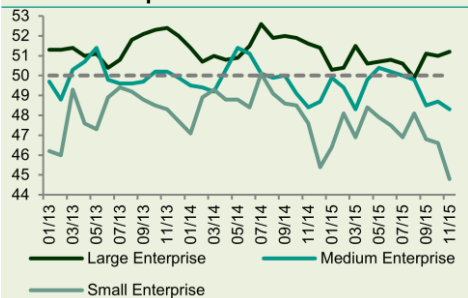
* Forecasts (Excluding manufacturing PMI and non-manufacturing PMI)
Source(s): NBS, PBOC, Bloomberg, ABCI Securities estimates

Exhibit 2: China's manufacturing PMI and sub-indices (%)



Source(s): NBS, ABCI Securities

Exhibit 3: Manufacturing PMI for small and medium enterprises extended decline



Source(s): NBS, ABCI Securities

November PMI spells trouble

China's manufacturing PMI worsened from October's 49.8% to November's 49.6%; across-the-board decline of its sub-indices also points to a dismal manufacturing sector. However, non-manufacturing PMI continued to increase from October's 53.1% to 53.6%, showing accelerated expansion in the services sector. The latest PMI data signal that China is still facing weak external and domestic demand. We expect economic indicators for November to deteriorate further and this may drive the government to launch more stimulus measures, such as another rate cut, to boost the economy.

November PMI spells trouble. In November, except for the "Supplier Delivery Time Index", all other sub-indices of the manufacturing PMI declined. The "Production and Business Activities Expectation Index" fell below 50% to 48.3%, a sign that pessimism in the manufacturing sector is intensifying. In addition, the private sector is still struggling. While the large enterprise PMI increased from 51% in October to 51.2% in November, medium enterprise PMI and small enterprise PMIs fell once again.

A weak external trade growth in November. As the "New Export Order Index" and the "New Import Order Index" declined from 47.4% and 47.5% in October to 46.4% and 46.7% in November, we expect external trade sector would continue to falter in November. We project exports and imports to contract by 4.5% YoY and 13.0% YoY, and trade surplus to be US\$ 65.4bn for November.

Industrial production growth would be stable. "Production Index", a sub-index of the manufacturing PMI, only fell slightly to 51.9% in November from 52.2% in October. Given the index's strong correlation between with industrial production growth, we expect the latter would maintain a relatively stable growth at 5.4% YoY for November.

Inflation pressure to fall further. A number of factors have contributed to the low CPI and PPI's contraction in November. These include the low commodity prices, extended decline in external and domestic demand, the unusually warm weather that resulted in less farming disruption, and the continued decline in pork price. We expect CPI to grow by 1.3% YoY and PPI to decline by 5.7% YoY for the month.

FAI growth to extend its decline. As a result of the continuous deterioration and increased pessimism in the manufacturing sector, capital spending in the industrial sector declined. On the other hand, even though investment in infrastructure projects has been rising, the increase is not sufficient to fully offset the shrinking FAI in other segments. Therefore, we expect 11M15 FAI growth to be 10.1% YoY.

Retail sales may improve further. Retail industry enjoyed an upbeat sentiment in November, with Alibaba's e-commerce sales reaching a record high in the "Singles' Day" event. As a result of the sales promotion and higher consumers' enthusiasm in November, we expect retail sales growth to be 11.2% YoY for November.

New loans, M2 growth and aggregate financing continue to send mixed signals. PBOC have been deploying a variety of monetary measures to increase lending to the private sector and inject liquidity into the market. New loans and aggregate financing declined dramatically in October, but we believe impacts of PBOC's measures would start to be reflected in November, and expect new loans, M2 growth, and aggregate financing to be RMB 800bn, 13.2% YoY, and RMB 974bn.



China Economic Indicators

	2014					2015										
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov*
Real GDP (YoY%)	---	7.3	---	---	7.3	---	---	7.0	---	---	7.0	---	---	6.9	---	---
Export Growth (YoY%)	9.4	15.3	11.6	4.7	9.7	(3.2)	48.3	(15.0)	(6.4)	(2.5)	2.8	(8.3)	(5.5)	(3.7)	(6.9)	(4.5)
Import Growth (YoY%)	(2.4)	7.0	4.6	(6.7)	(2.4)	(19.7)	(20.5)	(12.7)	(16.2)	(17.6)	(6.1)	(8.1)	(13.8)	(20.4)	(18.8)	(13.0)
Trade Balance (USD/bn)	49.8	30.9	45.4	54.5	49.6	60.0	60.6	3.1	34.1	59.49	46.6	43.0	60.2	60.3	61.6	65.4
Retail Sales Growth (YoY%)	11.9	11.6	11.5	11.7	11.9	10.7	10.2	10.0	10.1	10.6	10.5	10.8	10.9	11.0	11.2	11.2
Industrial Production (YoY%)	6.9	8.0	7.7	7.2	7.9	6.8	5.6	5.9	6.1	6.8	6.0	6.1	5.7	5.6	5.4	5.4
PMI - Manufacturing (%)	51.1	51.1	50.8	50.3	50.1	49.8	49.9	50.1	50.1	50.2	50.2	50.0	49.7	49.8	49.8	49.6
PMI - Non-manufacturing (%)	54.4	54.0	53.8	53.9	54.1	53.7	53.9	53.7	53.4	53.2	53.8	53.9	53.4	53.4	53.1	53.6
FAI(YTD) (YoY%)	16.5	16.1	15.9	15.8	15.7	13.9	13.5	12.0	11.4	11.4	11.2	10.9	10.3	10.2	10.1	10.1
CPI (YoY%)	2.0	1.6	1.6	1.4	1.5	0.8	1.4	1.4	1.5	1.2	1.4	1.6	2.0	1.6	1.3	1.3
PPI (YoY%)	(1.2)	(1.8)	(2.2)	(2.7)	(3.3)	(4.3)	(4.8)	(4.6)	(4.6)	(4.6)	(4.8)	(5.4)	(5.9)	(5.9)	(5.9)	(5.7)
M2(YoY%)	12.8	12.9	12.6	12.3	12.2	10.8	12.5	11.6	10.1	10.8	11.8	13.3	13.3	13.1	13.5	13.2
New Lending (RMB/bn)	702.5	857.2	548.3	852.7	697.3	1,470	1,020	1,180	707.9	900.8	1,280.6	1,480	809.6	1,050	513.6	800
Aggregate Financing (RMB bn)	957.7	1,135.5	662.7	1,146.3	1,690	2,047	1,356	1,241	1,056	1,236	1,833	742	1,082	1,300	476.7	974

* Forecasts (excluding PMI - Manufacturing and PMI - Non-Manufacturing)

World Economic/Financial Indicators

Equity Indices				Global Commodities				Bond Yields & Key Rates		
	Closing price	Chg. WTD (%)	P/E	Unit	Price	Chg. WTD (%)	Volume (5-day avg.)		Yield (%)	Chg. WTD (Bps)
U.S.				Energy				US Fed Fund Rate	0.25	0.00
DJIA	17,719.92	(0.44)	15.83	NYMEX WTI	USD/bbl	41.80	403,127	US Prime Rate	3.25	0.00
S&P 500	2,080.41	(0.46)	18.59	ICE Brent Oil	USD/bbl	44.68	199,923	US Discount Window	0.75	0.00
NASDAQ	5,108.67	(0.37)	31.26	NYMEX Natural Gas	USD/MMBtu	2.24	62,670	US Treasury (1 Yr)	0.0966	(1.52)
MSCI US	1,986.56	(0.47)	19.31	Australia Newcastle Steam Coal Spot fob ²	USD/Metric Tonne	61.80	N/A	US Treasury (5Yr)	1.6675	2.29
Europe				Basic Metals				US Treasury (10 Yr)	2.2306	1.05
FTSE 100	6,390.52	0.24	29.06	LME Aluminum Cash	USD/MT	1,437.25	14,302	Japan 10-Yr Gov. Bond	0.2990	(0.90)
DAX	11,360.06	0.59	24.29	LME Aluminum 3 -mth. Rolling Fwd.	USD/MT	1,446.00	44,455	China 10-Yr Gov. Bond	3.1800	0.00
CAC40	4,951.56	0.43	22.70	CMX Copper Active	USD/lb.	4,602.25	13,035	ECB Rate (Refinancing)	0.05	0.00
IBEX 35	10,429.70	1.15	20.46	LME Copper 3- mth Rolling Fwd.	USD/MT	4,586.00	55,366	1-Month LIBOR	0.2438	3.23
FTSE MIB	22,765.69	0.84	N/A	Precious Metals				3 Month LIBOR	0.4142	3.21
Stoxx 600	386.30	0.69	28.19	CMX Gold	USD/T. oz	1,069.40	108,257	O/N SHIBOR	1.7880	0.20
MSCI UK	1,854.41	(0.27)	29.76	CMX Silver	USD/T. oz	14.15	36,403	1-mth SHIBOR	2.7000	0.00
MSCI France	139.69	0.55	23.11	NYMEX Platinum	USD/T. oz	839.80	10,523	3-mth HIBOR	0.3734	(0.07)
Asia				Agricultural Products				Corporate Bonds (Moody's)		
NIKKEI 225	20,012.40	0.65	20.82	CBOT Corn	USD/bu	374.50	182,997	Aaa	4.00	(4.00)
S&P/ASX 200	5,266.14	1.22	19.61	CBOT Wheat	USD/bu	477.25	75,543	Baa	5.44	(2.00)
HSI	22,381.35	1.42	9.84	NYB-ICE Sugar	USD/lb.	14.84	57,590	Note:		
HSCEI	9,947.94	0.94	7.32	CBOT Soybeans	USD/bu.	884.25	101,511	1. Data sources: Bloomberg, National Bureau of Statistics of China, ABCIS (updated on date of report)		
CSI300	3,591.70	0.98	14.85					2. Australia Newcastle Steam Coal Spot fob is the Australia Newcastle 6700 kc GAD fob Steam Coal Spot price published by McCloskey		
SSE Composite	3,456.31	0.58	18.13							
SZSE Composite	2,198.28	0.65	51.07							
MSCI China	60.28	(0.26)	9.51							
MSCI Hong Kong	11,991.73	(0.35)	9.92							
MSCI Japan	959.62	(1.01)	16.62							

* As of 12:00 AM closing

Currency

	Euro/USD	GBP/USD	AUD/USD	USD/JPY	USD/CHF	USD/CNY	USD/HKD	USD/CNY NDF 12-mth Spot pr.
Spot Rate	1.0602	1.5119	0.7288	122.94	1.0281	6.3988	7.7516	6.6476
Chg. WTD (%)	0.09	0.55	1.32	(0.11)	0.20	(0.07)	(0.01)	0.05



Disclosures

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Definition of equity rating

Rating	Definition
Buy	Stock return \geq Market return rate
Hold	Market return - 6% \leq Stock return < Market return rate
Sell	Stock return < Market return - 6%

Stock return is defined as the expected % change of share price plus gross dividend yield over the next 12 months

Market return: 5-year average market return rate from 2009-2013

Time horizon of share price target: 12-month

Definition of share price risk

Rating	Definition
Very high	$2.6 \leq$ 180 day volatility/180 day benchmark index volatility
High	$1.5 \leq$ 180 day volatility/180 day benchmark index volatility < 2.6
Medium	$1.0 \leq$ 180 day volatility/180 day benchmark index volatility < 1.5
Low	180 day volatility/180 day benchmark index volatility < 1.0

We measure share price risk by its volatility relative to volatility of benchmark index. Benchmark index: Hang Seng Index.

Volatility is calculated from the standard deviation of day to day logarithmic historic price change. The 180-day price volatility equals the annualized standard deviation of the relative price change for the 180 most recent trading days closing price.

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